

SAN BENITO COUNTY
SAMPLE INPUTS AND COSTS OF COMMERCIAL BEEF PRODUCTION
APRIL, 1959

Basic Assumptions:

Owner operated ranch
 5800 acres range land
 Val. \$40 acre, production
 0.67 AUM per A. Assessed
 val. \$10 A., tax rate \$3.25
 Dry farm land not considered
 200 cow herd selling mostly
 yearlings. 85% calf crop.
 20% cow replacement, 2%
 death loss, 18% sold.
 Calve - Oct., Nov., Dec.
 *A. units figured calves .5,
 .6, yearlings .7 others 1.0
 4380 AUM=365 An. unit years
 or 1.82 per cow.

Assumed Stock Count by Months

Mo.	Bulls	Cows	Calves	Yrlg. steers	Yrlg. heif.	2 yr. heif.	Total An. U.*
Jan.	10	198		75	75	40	353
Feb.	10	196	(4 mo)	75	75	40	353
Mar.	10	196	170	75	75	40	437
Apr.	10	196	170	75	75	40	437
May	10	160	170	75	75	40	401
June	10	160	170	75	75	40	401
July	10	160	170	sell	41	40	341
Aug.	10	160	170		41	40	341
Sept.	10	200	150		41	40	329
Oct.	10	200	150		41	cows	329
Nov.	10	200	150		41		329
Dec.	10	200	150		41		329
Total	120	2226	1620	450	696	320	4380

AUM 120 2226 854 340 520 320

Estimated Inputs, Costs, Production, Income and Profit

Item	Total AUM feed	Quantity		Price	Total cost or val.	Per animal unit	Per cwt. prod.	
		Total	Per A.U.					
Taxes on range	3880	5800 A	15.89	.325	\$ 1885	\$ 5.16	\$ 1.43	
Stubble	132	150 A	.41	1.50	225	.62	.17	
Hay	275	110 T	.30	25.00	2750	7.53	2.09	
Concentrates	93	25 T	.07	70.00	1750	4.80	1.33	
Salt and minerals					100	.27	.08	
TOTAL CASH FEED COST	4380				6710	18.38	5.10	
Hired labor		500 hr.		1.50	750	2.06	.57	
Bull replacements		3		600.00	1800	4.93	1.37	
Auto, truck, 4 saddle horses, expense					1200	3.29	.92	
Taxes on cattle, ins., repairs, veterinary and miscel.					2500	6.85	1.90	
Depreciation, cattle buildings and equipment					1500	4.11	1.14	
TOTAL CASH AND DEPRECIATION COSTS (A)					14460	39.62	11.00	
Operators labor		1300 hr. @ 1.50			1950	5.34	1.48	
Interest on investment - cattle, bldg. & eqt. 60,000 @ 5%					3000	8.22	2.28	
Int. on investment in range \$232,000 @ 5%					11600	31.78	8.83	
TOTAL ALL COSTS OF PRODUCTION (B)					31010	84.96	23.59	
Stock Sales	No. hd.	Av. wt.	Pounds		Price	Total income	Per An. U.	Per cwt.
			Total	A.U.				
Yearling feeder str.	75	750	56250		26¢	14625		
Yearling heifers	34	700	23800		24	5712		
Weaner calves	20	350	7000		28	1960		
Cows	36	1100	39600		20	7920		
Bulls	3	1600	4800		20	960		
TOTAL SALES (C)	168	783	131450	360 lbs.	23.7¢	31177	85.42	23.72
Management income, (C) - (B), net profit over all costs including operator's labor and interest						167	.46	.13
Farm income (C) - (A) income over cash costs and deprec. but not operator's labor or interest						16717	45.80	12.72
Value of operator's labor \$1950 management \$1559*						3509	9.61	2.67
INTEREST EARNED ON INVESTMENT = 4.5%						13200	36.16	10.04
Net cash income - (C) less cash costs, no deprec.						18217	49.91	13.86

*Operator's management estimated at 5% of gross income

BEEF PRODUCTION IN SAN BENITO COUNTY

by

Rocky Lydon, Farm Advisor and Arthur Shultis, Extension Economist

APRIL, 1959

NATURE OF CATTLE RANCHES

Typical cattle ranches in San Benito County contain varying acreages of tillable land, usually dry farmed to barley in rotation with volunteer grain, hay or summer fallow. A few with irrigation water and suitable soil have small acreages of irrigated pasture and alfalfa. Some ranches are owner operated and some are rented. Figures shown in the sample inputs and costs on the other side of this sheet are on an owner basis and apply only to the beef enterprise and range --- hence do not include the farming land and equipment or dwelling.

SEASONAL NATURE OF FEED

Local range land normally produces good grazing from late winter to early summer, with rather a wide range in feed conditions with variations in rainfall from year to year. The long dry period requires some supplemental feeding. These sample inputs and costs for a 200-cow breeding herd, selling mostly yearling feeders, show a total of 4380 animal unit months of feed requirement met by range, some stubble and some hay and concentrates. The range as good feed in the spring and dry in the fall was assumed to produce .67 animal unit months of feed per acre -- the equivalent of 18 acres per animal unit year.

THE BEEF ENTERPRISE

To analyze and compare efficiency and costs of beef production, it is necessary to consider the beef enterprise and range as separate from the farming part of the ranch. Purchased feed and farm produced pasturage from range and stubble and farm produced hay are charged to the beef enterprise. Beef enterprises vary by kind. This sample is for a breeding herd selling mostly yearling feeders. Other kinds, the cow herd selling weaner calves or the purchased stocker to yearling feeders would be different.

SAMPLE COSTS

Costs of beef production vary widely from ranch to ranch and year to year. This set of sample inputs and costs was developed with the help of our cattlemen's discussion group as typical of a well managed beef enterprise of this type. Consider this schedule as a sample and not an average. Better than average production is assumed with an 85% calf crop, good selling weights, and low death losses. Use the sample schedule or budget as a guide in working out figures for your own herd. Blank work sheets are obtainable from your farm advisor. Plans and budgets for the year or years ahead will be a big aid to better management, production and profits.

IF YOU RENT

These sample costs are on an owner basis. Included are the following costs that would be covered by the rent you would allocate for the range and cattle facilities -- Taxes on range \$1885, interest on range \$11,600, taxes, depreciation and repairs on buildings and permanent improvements about \$1215, a total of \$14,700 or \$40.27 an animal unit year or \$2.53 per acre of range. Deduct these costs and add the rent you must pay.